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SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
ADMINISTRATION COMMITTEE

March 6, 2008

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**MINUTES**

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**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE ADMINISTRATION COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.**

The Administration Committee held its meeting at the SCAG Offices, Downtown Los Angeles, CA. The meeting was called to order by Jon Edney, Vice Chair, City of El Centro. There was a quorum.

**Members Present**

Aldinger, Jim  
Baldwin, Harry  
Burke, Yvonne  
Clark, Margaret  
Cook, Debbie  
Dixon, Richard  
Edney, Jon (**Vice Chair**)  
McCallon, Larry  
Nowatka, Paul  
Ovitt, Gary  
Parks, Bernard  
Roberts, Ron  
Ten, Mike  
Wapner, Alan  
Washburn, Dennis

Manhattan Beach  
City of San Gabriel  
County of Los Angeles  
City of Rosemead  
City of Huntington Beach  
City of Lake Forest  
City of El Centro  
City of Highland  
City of Torrance  
County of San Bernardino  
City Los Angeles  
City of Temecula  
City of South Pasadena  
City of Ontario  
City of Calabasas

**Members Not Present**

Loveridge, Ronald, Chair  
Lowenthal, Bonnie  
Masiel, Andrew  
O'Connor, Pam  
Pettis, Greg  
Young, Toni

City of Riverside  
City of Long Beach  
Pechanga Band of Luiseno Mission Indians  
City of Santa Monica  
City of Cathedral City  
City of Port Hueneme

**1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Hon. Jon Edney, Vice Chair, City of El Centro, called the meeting to order at 10:05 a.m.

**2.0 PUBLIC COMMENT PERIOD**

There were no public comments.

**3.0 REVIEW and PRIORITIZE AGENDA ITEMS**

No agenda reprioritizations were made.

**4.0 CONSENT CALENDAR**

**4.1 Approval Items**

4.1.1 Minutes of February 7, 2008 Meeting

4.1.2 Charter of the Contracts Subcommittee

**4.2 Receive & File**

4.2.1 Contracts/Purchase Orders and  
MOUs between \$5,000 - \$250,000

Hon. Alan Wapner stated that he may have a conflict of interest with the Contract Vendor, IBI Group and therefore asked to be recused from the discussions.

A motion was made (Ovitt) to approve the Consent Calendar. Motion was seconded (Washburn) and UNANIMOUSLY APPROVED.

**5.0 ACTION ITEMS**

5.1 Increase the Informal Contract  
Threshold from \$25,000 to \$50,000

At the January 31, 2008 Contracts Subcommittee meeting, the subcommittee approved and recommended the following potential strategies for increasing competition for SCAG's contracting opportunities.

1. Continuing vendor outreach efforts, specifically attending various tradeshow and registering new potential suppliers into SCAG's bid notification system.
2. Continuing to conduct follow up surveys when SGAG receives less than 2 bids to determine why potential bidders did not bid.
3. Contacting local Chambers of Commerce.

4. Increasing the informal contracting threshold (the threshold used to determine whether or not a purchase will require more than 3 bids) from \$25,000 to \$50,000.

In order to come in line with like agencies, the Subcommittee voted to recommend to the Administration Committee to approve increasing the informal bidding threshold from \$25,000 to \$50,000.

A motion was made (Clark) to approve staff's recommendation. Motion was seconded (Ovitt) and UNANIMOUSLY APPROVED.

## 5.2 The Fiscal Year 2008-2009 Comprehensive Budget

Hasan Ikhata, Executive Director gave a brief overview of the FY 08-09 Comprehensive Budget. Mr. Ikhata explained that there were four specific factors that contributed to an approximately five million dollar reduction in the budget, compared to FY 07-08:

- SCAG'S commitment to pre-fund its retiree health benefit over five years increased agency costs to \$1.3 million dollars.
- SCAG'S commitments over the past few years resulted in a significant increase in staffing levels and consultant work.
- SCAG's non-federal grant funding has been reduced by \$3 million.
- SCAG's federal grant funds availability has decreased by \$1 million.

SCAG's management has determined that it is necessary to scale back staffing and project commitments that are not mandated, and focus priorities on the agency's core mission.

Mr. Ikhata stated that he has notified the subregions of this action as well as communicated to staff regarding the significant reductions in consultant budgets and overall staffing reductions. The main goal is to stabilize the organization by July 1, 2008. Mr. Ikhata also stated that he is presently working on a three year business plan that will be presented to the Committee at a later time.

Wayne Moore, CFO discussed the Comprehensive Budget report which was distributed at the meeting. Mr. Moore highlighted and gave a brief description of specific line items.

Regarding line item #60200: Health Insurance/GASB45, Hon. Alan Wapner recommended that a separate line item be included for each description. By separating the line item descriptions, it will be easier to measure the true GASB45 cost and the actual health insurance cost for current employees.

Hon. Edney asked the committee members to send any budget related concerns to Mr. Moore via email. He also stated that further discussion of the FY 08-09 Budget will take place at the April 3, 2008 Administration Committee meeting.

Mr. Moore stated that the Overall Work Program will be available online on March 7, 2008, and the Comprehensive Budget summary would be available online today.

A motion was made (Washburn) to release the Draft Overall Work Program (OWP) for public review. Motion was seconded (Baldwin) and UNANIMOUSLY APPROVED.

### 5.3 Depositories and Investments

The Investment Subcommittee directed staff to explore additional options for fund depositories and investments. At the February 25, 2008 meeting, the Subcommittee voted to recommend to the Administration Committee that the SCAG Bylaws be amended as follows.

Under Article VIII (FINANCES) of the Bylaws, paragraph H to be added:

#### H. Depositories and Investments

In addition to the depository and the disbursing officer as specified in Section 7 of Southern California Association of Governments Agreement, the Regional Council may authorize additional depositories and those authorized to disburse the Association's funds, and may specify the terms and conditions pertaining thereto.

Mr. Joe Burton, Chief Counsel requested that the phrase "Joint Powers Agreement" be added in parenthesis after the word "Agreement" in the previous statement.

A motion was made (Washburn) to approve staff's recommendation. Motion was seconded (McCallon) and UNANIMOUSLY APPROVED.

### 5.4 Funding for the City Profile Reports in the Inland Empire

Ms. Huasha Liu, Manager Program Development, gave a brief summary of the request to acquire professional services from Dr. John Husing as an exception to the competitive procurement policy. Dr. John Husing is a recognized expert for the Inland Empire on local economic related issues. Staff proposes to acquire the services of Dr. John Husing to complete profile reports for the Inland Empire cities in the SCAG region. The city profile reports will provide a basis to support local transportation planning efforts in relation to land use and growth. An approval by the Administration Committee will result in the use of \$150,000 in TDA funds, available from the TDA fund balance.

Hon. Dennis Washburn expressed some concerns regarding the dissemination process due to the scheduled budget cuts at SCAG.

Hasan Ikhata stated it would be staff's recommendation to commence the work on the city profile reports this fiscal year. A discussion ensued regarding staff's recommendation.

Hon. Jon Edney stated that it appeared the comfort level of the committee was not in line with moving this item for approval. Mr. Edney asked staff if it was their preference to have the Committee act on the matter today, or to bring the item back next month with additional information in order to evaluate staff's recommendation more fully. Hasan Ikhata asked the Committee to make a motion on the item today.

Hon. Edney called for the motion.

A Motion was made (Dixon) to defer item to the April 3, 2008 Administration Committee meeting. Motion was seconded (McCallon) and UNANIMOUSLY APPROVED.

#### **SUBCOMMITTEE REPORTS**

There were no reports submitted

#### **11.0 INFORMATION ITEMS**

##### **11.1 CFO Monthly Financial Report**

Due to time constraints, Hon. Jon Edney, Vice Chair, directed staff to discuss the CFO Monthly Report at the April 3, 2008 Administration Committee meeting.

#### **12.0 STAFF REPORT**

There was no staff report given.

#### **13.0 FUTURE AGENDA ITEMS**

- The Fiscal Year 2008-2009 Comprehensive Budget, (Wayne Moore)
- Funding for the City Profile Reports, (Huasha Liu)

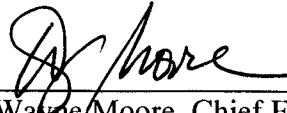
**14.0 ANNOUNCEMENTS**

There were no announcements.

**15.0 ADJOURNMENT**

The next meeting of the Administration Committee will be held on Thursday, April 3, 2008.

Minutes Approved by:

A handwritten signature in black ink, appearing to read "Wayne Moore", is written over a horizontal line.

Wayne Moore, Chief Financial Officer  
Staff to the Administration Committee

# ADMINISTRATION COMMITTEE ATTENDANCE REPORT

2008

Member (including Ex- Officio) Last Name, First Name	Representing	X = County Represented						X = Attended				= No Meeting					NM = New Member
		IC	LA	OC	RC	SB	VC	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Aldinger, Jim*	Manhattan Beach		X					X	X	X							
Baldwin, Harry*	San Gabriel		X					X	X	X							
Burke, Yvonne*	Los Angeles County		X					X	X	X							
Clark, Margaret*	Rosemead		X					X	X	X							
Cook, Debbie*	Huntington Beach			X				X	X	X							
Dixon, Richard*	Lake Forest			X				X	X	X							
Edney, Jon* Vice Chair	El Centro	X						X	X	X							
Loveridge, Ronald, Chair*	Riverside				X			X	X								
Lowenthal, Bonnie	Long Beach		X														
Masiel, Andrew*	T.A.S.I.N.					X											
McCallon, Larry*	Highland					X			X	X							
Nowatka, Paul*	Torrance		X						X	X							
O'Connor, Pam*	Santa Monica		X					X									
Ovitt, Gary*	San Bernardino County					X			X	X							
Parks, Bernard*	Los Angeles		X							X							
Pettis, Gregory*	Cathedral City				X			X									
Roberts, Ron*	Temecula				X				X	X							
Ten, Mike*	South Pasadena		X					X	X	X							
Wapner, Alan*	Ontario					X		X	X	X							
Washburn, Dennis*	Calabasas		X					X	X	X							
Young, Toni*	Port Hueneme						X	X	X								
Totals		1	11	1	3	4	1										

\* Regional Council Member